

# State of South Dakota

SEVENTY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 1997

168A0409

## HOUSE BILL NO. 1197

Introduced by: Representatives Moore, Apa, Chicoine, Crisp, Napoli, and Waltman and  
Senators Hunhoff and Kloucek

1 FOR AN ACT ENTITLED, An Act to revise the requirements for creating and developing a tax  
2 increment finance district.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 11-9 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 No tax increment finance district may consist of an area of more than one hundred acres of  
7 land. Nor may any tax exempt property be developed or constructed within the district.

8 Section 2. That chapter 11-9 be amended by adding thereto a NEW SECTION to read as  
9 follows:

10 No governing body may create a tax increment finance district if there are two or more  
11 districts that were created by that governing body in existence. Any governing body which has  
12 created two or more districts before July 1, 1997, may not create any additional districts until  
13 there is one or less districts in existence.

14 Section 3. That chapter 11-9 be amended by adding thereto a NEW SECTION to read as  
15 follows:

Any property located within any tax increment finance district is not eligible for reduced property taxation of new structures and additions through any discretionary formula provided pursuant to chapter 10-6.

Section 4. That chapter 11-9 be amended by adding thereto a NEW SECTION to read as follows:

The decision of the governing body to approve the creation of any tax increment finance district shall be published within ten days of that decision. The decision may be referred upon a petition signed by at least five percent of the registered voters in either the governing body which made the decision or the county which the district lies within. The petition shall be filed with the respective governing body within thirty days of the publication of the decision. The referendum election shall be held within ninety days after the petition has been filed.

Section 5. That § 11-9-7 be amended to read as follows:

11-9-7. In order to implement the provisions of this chapter, the resolution required by § 11-9-5 shall contain a finding that the aggregate assessed value of the taxable property in the district plus the tax incremental base of all other existing districts does not exceed five million dollars or ten percent of the total assessed value of taxable property in the municipality.

Section 6. That § 11-9-42 be amended to read as follows:

11-9-42. No tax increments ~~shall~~ may be used for the construction of residential development or structures including single family or multi-family housing units.